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ABSTRACT

This report summarizes the findings of a New York State task force that studied the public work force of the state with a focus on preparing these workers for the future. Discussion of the task force was organized along four major topics of concern: recruiting, retention, and compensation; management style; education, training, and retraining; and organizational structure/productivity. The summary report is presented in four sections. Part One describes the forces of change now impinging on the public sector in the state, such as a labor shortage, more women and minority groups in the labor force, changing family structures, high dropout rates, lack of basic skills, the introduction of new technology, and changes on the internal scene. Part Two describes the impact of change, translating that impact into key issues for state government as an employer, for managers within government, and for government employees. Part Three discusses formulating a policy response to change, setting forth 10 guiding principles for the future. Part Four suggests implementation steps. A summary of the guiding principles and 55 supporting recommendations are included. (KC)

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EXECUTIVE SUMMARY

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PUBLIC SERVICE THROUGHOUT THE STATE GOVERNMENT WORKFORCE

Meeting the Challenge of Change

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on behalf of
New York Governance in the 21st Century
A Public/Private Partnership

CE 054 518

NELSON A. ROCKEFELLER INSTITUTE OF GOVERNMENT
STATE ACADEMY FOR PUBLIC ADMINISTRATION

Prepared by the Professional Development Program, Rockefeller College, University at Albany, State University of New York

EXECUTIVE SUMMARY

PUBLIC SERVICE THROUGH THE STATE GOVERNMENT WORKFORCE:

Meeting the Challenge of Change

Produced by the
Task Force on the New York State Public Workforce in the 21st Century

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On behalf of
New York State Governance in the 21st Century
A Public/Private Partnership

NELSON A. ROCKEFELLER INSTITUTE OF GOVERNMENT
STATE ACADEMY FOR PUBLIC ADMINISTRATION

September 1989

This executive summary was prepared by the Professional Development Program, Rockefeller College, University at Albany, State University of New York
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James Northrop gave extensively of his time, advice and knowledge of government and human resource management to the Task Force and Steering Committee. He provided the essential liaison with the New York Governance in the 21st Century project and with the Nelson A. Rockefeller Institute of Government.

Task Force Steering Committee members Carolyn Harris, Office of Mental Retardation and Developmental Disabilities, Thomas Kinney, Rockefeller College, Paul Puccio, Department of Civil Service, and William Sullivan, Governor's Office of Employee Relations, played a central role in this project. These individuals were charged by the Task Force to serve as issue managers for Recruitment, Retention and Compensation; Education, Training and Retraining; Organizational Structure/Productivity; and Management Style, respectively. They coordinated the development of preliminary papers on which the present report draws heavily.

We are indebted to Rebecca Meyers, who coordinated the development of this final report and served as principal author and editor. Other contributing authors included Rosemary Gido, Paul Puccio and William Sullivan. Marina Sgroi and Jane Zacek assisted in writing justifications for several of the supporting recommendations. Research and technical assistance were provided by Rick Braden, Daniel Cunningham, Louis DalPorto, Celia Gonzalez, Tara Martin, and Jeffrey Urbin. The Work Force Planning Analysis Unit at the Department of Civil Service, particularly Chris Teigland, provided demographic data on the State government workforce.

The word processing team also included Karen Loiselle, Lisa Lahey and Constance Cutler. Electronic publishing was performed by Lisa Lahey.

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Task Force Cochairs Nelson Heyer and Elizabeth Moore extend their gratitude to all of these people for their important contributions to this effort.

FOREWORD

The *Report on Population* issued by the New York State Project 2000 predicted significant demographic changes between now and the start of the next century. As Governor Mario Cuomo observed in a preface to that report, "Forewarned is forearmed, and knowledge about current trends gives us the opportunity to marshal our State's considerable resources to respond to potential problems on the horizon."

The following report originated in an effort by the Rockefeller Institute of Government and the State Academy for Public Administration to foster the translation of available trend data into cohesive and appropriate policy response. That effort is the project entitled New York Governance in the 21st Century, a public–private partnership both broad in scope and rich in participation.

We are proud to have led one component of the project which has focused on the public service of the future. Our work in convening and directing this component, the Task Force on the New York State Public Workforce of the 21st Century, has been rooted in three key ideas:

- New York State, as an employer, has a long history of being on the forefront of change and being a leader among the states in its innovative programs and policies; it is important that this tradition be sustained.
- The State must have a competent public service, representative of its population, highly motivated, and with the essential skills and experience to meet the needs and expectations of its citizens.
- Successful analysis of future directions for the State's human resource management system requires an objective, independent viewpoint balancing insights from government, business, labor and academia.

We believe our Task Force's report remains true to these ideas. An impressive number of people, from a range of perspectives, joined in to contribute their best thinking on the issues discussed herein.

Clearly, perfect consensus from so large a group on so complex a topic is difficult, at best, to achieve. Depending on personal background, values, professional affiliation, and political alignment, views are bound to differ.

Also, the leading edge of innovation and change will always raise a certain degree of conflict and controversy. The tension which occurs when old ways of doing things are reexamined, perhaps even challenged with alternative approaches, is a necessary and healthy tension. We trust this report fairly reflects the common ground that was found among the many persons who shared their interpretations and visions of the future of human resource management for the State of New York. We are indebted to all who aided this effort.

It is with pleasure that we offer this document as an initial blueprint for assuring a highly trained and motivated public workforce capable of carrying on a tradition of excellence in service to the citizens of the State. Our report is meant to impel purposeful change. The measure of its success will be in the amount of forward motion it generates.

Unfortunately, we are compelled to add a final word. This project was quite far along when the severity of the fiscal crisis currently facing State government became apparent. The circumstances in which the State now finds itself cast a new light on the contents of this document and will tempt us to disregard its message. It is, however, imperative that we not let present realities mask a very different future. For, in fact, more strategic planning with regard to the human resource system, as advocated by this report, can only help to prevent productivity loss should similar situations arise in the years to come.

Elizabeth D. Moore *Nelson O. Heyer*

EXECUTIVE SUMMARY

PUBLIC SERVICE THROUGH THE STATE GOVERNMENT WORKFORCE:

Meeting the Challenge of Change

INTRODUCTION

A Tradition of Excellence—the Challenge of Change

Purpose

New York State's progressive tradition in the public sector includes a history of leadership and innovation in the human resource management field. For decades, this government has valued enlightened human resource management practices which have enabled it to achieve excellence in the public sector and to implement programs, services and quality of life supports for its citizens.

Demographic, economic and technological changes threaten the future capacity of State government to maintain its position of leadership and excellence. A passive, disorganized, or crisis–oriented approach to managing the public workforce in the face of a changing environment is not in society's best interest. A more rational, systematic response to change will assure the continuing quality and productivity of government services. The Task Force on the New York State Public Workforce in the 21st Century has sought to develop a blueprint for that response.

Entering a new century provides a symbolic point for examining how well State government has functioned in the past. It offers an opportunity to retain the best, and reorient, redesign, restructure, and retool where necessary to ensure that the government is on track for moving on to a future world. The Task Force's report is designed to provide a useful framework for tackling the vast human resource concerns confronting the States. Its primary intent is three-fold:

- to educate State and union executives, managers and others regarding the issues of a changing workforce as they will affect human resource management in State government;
- to encourage executive leadership, State agencies, the unions, the Legislature, the private sector, and educational institutions in New York State to work together in addressing these issues; and,

- to motivate those in positions of responsibility to institute changes in the State's human resource management system to prepare for a changing workforce and changing workplace.

The Process

The project was conducted under the auspices of the State University of New York's Nelson A. Rockefeller Institute of Government. The Rockefeller Institute provides a neutral forum for initiatives requiring balanced analysis and discussion. The Institute, together with the State Academy for Public Administration, convened the Task Force as a part of a larger project known as New York Governance in the 21st Century. That larger effort has brought together public and private sector leaders to address the many critical issues facing New York State government as it approaches the year 2000.

Cochaired by Elizabeth D. Moore, Director of the Governor's Office of Employee Relations, and Nelson O. Heyer, representing IBM Corporation, the Task Force included more than 80 executives from labor and management in the public, private and academic sectors. A broad-based Task Force was selected on the principle that many different parties, both inside and outside of government, must participate in the development of strategies to adapt to a changing labor force. A Steering Committee was appointed to guide and structure the work of the Task Force. At its initial conference, held in June 1988, the Task Force discussed how trends and forces in the external and internal environment will influence the nature of the New York State workforce over the next several decades. Discussion was organized along four major topics of concern:

- Recruitment, Retention and Compensation
- Management Style
- Education, Training and Retraining
- Organizational Structure/Productivity

The Steering Committee and additional staff worked through the summer to further analyze the issues. White papers were drafted and circulated to all participants for comment. A draft final report was then prepared representing an integration and expansion, within a common conceptual framework, of the four initial papers. A second conference was held in December, 1988 at which Task Force members worked to refine the report and reach consensus concerning priority recommendations.

PART ONE

The Forces of Change

External Forces

A scan of the environment constitutes an appropriate starting point for developing a human resource agenda for State government. Consideration was given first to the interaction of national and statewide economic, demographic, technical and educational trends. Major points emerging from this analysis include:

- Continued growth in the overall economy and slow population growth is producing a labor shortage. Job growth between 1985 and 2000 is projected at 16.6 percent in New York State. During that same time period, New York will experience slower growth (2.2 percent) in the working age population than the nation as a whole (12 percent).

- The composition of the labor force is changing. Women are in the labor force in record numbers. The median age of the working population is increasing. Of perhaps greatest significance is the shifting racial/ethnic mix of the labor force, with minorities expected to account for the largest share of America's workforce growth. This trend is especially dramatic in New York State.

- Families are changing. In nearly half of all married couples both the husband and wife are now employed. In addition, in 1985 more than 5 million households in the country were headed by single women.

- Dropout rates, high nationally, are particularly high in New York State, which ranks seventh in the country. In 1986 one-third of all students entering high school in New York State failed to graduate. Black and Hispanic teenagers in urban school districts are most likely to become dropouts.

- Large numbers of today's and the future's workforce lack basic reading, writing, computational, and reasoning skills. New York's efforts to upgrade the quality of its schools have met with uneven success.

- New technology is being introduced into the workplace at a rapid rate. Over the next ten years, more than half of all existing jobs in the general economy are expected to change as a result. Jobs in the future will require a higher level of skills. Due to failures of the social and educational systems, many new entrants to the workforce will lack adequate education and job skills to meet the demands of the changing workplace.

Viewed in combination, current trends are creating a critical situation for employers nationwide. At the crux of the problem is a growing shortage of workers with the appropriate skills to perform the available jobs.

Internal Forces

The Task Force also reviewed facts and trends within State government which, when coupled with the external trends summarized above, characterize an environment of dramatic change. Major points include:

- With nearly 200,000 employees and 7,000 job titles, the current New York State workforce is large and diverse. It consists of roughly equal numbers of men and women and has a 23 percent minority representation. It is over 90 percent unionized. Although State employees are located in all regions of the State, one-quarter are in the Capital District, and an additional 18 percent are in New York City.

- Recent reform efforts in human resource management in State government have concentrated on pay equity, affirmative action, cost containment in health benefits, a build-up in training and development, a variety of quality of worklife initiatives, and workforce planning.

- The organizational structure and function of State government is constantly evolving. Over the past decade, large-scale changes have included deinstitutionalization, growth in incarceration, a massive effort to rebuild the State's roads and bridges, and the downsizing of labor services. Such changes have had and will continue to have important ramifications for the State's human resources.

- Efforts toward greater collaboration between State management and the unions have been made in recent years. Labor unions will continue to play a significant role in the day-to-day operations of State government.

- The public not only lacks understanding, but also has a generally negative view of the role of public (e.g., State) employees. This could impair the State's ability to attract and retain competent personnel.
- The Accountability, Audit and Internal Control Act and the Ethics in Government Act indicate a trend toward increasing the accountability of State managers and employees.
- Fiscal constraint is generally viewed as a prevailing force in State government in the foreseeable future.

PART TWO

The Impact of Change

The Task Force studied the implications of the changes reviewed in Part One from three perspectives — State government as an employer, State managers, and employees in general.

Key Issues for State Government as an Employer

As a result of economic and social trends, State government is under pressure to deliver better services with ever more constrained resources. This pressure will force government to become intensely concerned with the productivity (maximizing outputs relative to inputs) and the innovativeness (finding new ways to solve problems with existing resources) of its workforce. In the pursuit of optimum productivity and innovation, the State will need to attend to a number of broad issues, including:

- Labor shortages will increase competition with other public and private sector employers for skilled employees. Therefore, the State will need to become more strategic and innovative in its efforts to attract and retain workers.
- When its organizational goals and workload far outpace its resources, the State will need to become more strategic in its use of human capital. This entails better human resource planning, more flexible deployment, and greater coordination across the organization.
- Changing workforce characteristics and technological change will present new communication challenges within the organization.
- Government is presently challenged to keep pace with new technology. Modernization of work processes will affect not only the types of job skills needed, but also worker norms and attitudes and management structure and function.

- Successful management of change will require a long-term focus. This is contrary to a tendency of government to manage on a year-to-year basis.
- Labor shortages, the declining skill level of new workers, and the rapidity of change in workplace technology all require the State to maintain the competency of its labor force through intensive training and retraining.
- Government and other institutions (labor, private business, academia) will grow more interdependent, leading to greater cooperation.
- State government will need to devote attention to improving its public image in order to attract qualified personnel.

Many of the above issues will most successfully be dealt with through a unified, "single enterprise" approach. Organizational culture and values, management of change, management of information, the assurance of employment security, and flexibility are among the concerns that will best be handled through a single employer focus.

Key Issues for Managers within Government

State managers are on the frontline for helping their organizations cope with change. They are also themselves changing in terms of their demographics, orientation to the workplace, and lifestyle concerns. The changing environment suggests that the State will need managers who: think strategically; innovate; facilitate the effective work of others; take responsibility for training and developing staff; expertly manage available resources; create a high ethical standard; and possess knowledge and experience in a wide range of managerial functions. At the same time, the needs and concerns of managers in the future can be expected to center, among other things, on issues of promotability, managerial flexibility, and the integration and acceptance of women and minorities into managerial ranks.

Key Issues for Government Employees

State employees are personally affected by workplace trends in multiple ways. They may find that their employer's expectations of them will change. For example, employers will be looking for: more team-building

and problem-solving skill; more individual responsibility for and willingness to learn new job skills; an adaptability to new technology; and, possibly, a less rigid notion of job security. Meanwhile, workers may be expected to exhibit greater concern with: deriving meaning from their jobs; keeping their skills current; finding work arrangements that accommodate their personal needs; retaining jobs that meet their economic needs; and yet also identifying opportunities for job and career mobility.

In return for greater participation and accountability from their workers, government agencies will need to respond with greater recognition of excellent individual and team effort, as well as providing new challenges and opportunities for employees. Organized labor will need to understand how the labor force is changing, review its old agendas against the needs of a more diverse membership, and potentially adopt new ways of relating to management in order to serve its membership effectively in the future.

PART THREE

Formulating a Policy Response

In order to respond effectively to the challenges ahead, State government must commit to and pursue a carefully developed plan of action. The Task Force offers a two-level framework for such a plan. The first level provides a cross-cutting philosophical base in the form of "Guiding Principles." The second level consists of supporting recommendations in six distinct but overlapping functional areas within the overall human resource management field.

Guiding Principles for the Future

From its analysis of major trends and their implications, the Task Force recommends that the State embrace the following guiding principles to ensure a productive workforce for the future:

PRINCIPLE 1

New York State, as one of the major employers in the State and the nation, should strive to be an exemplar of a modern workplace.

PRINCIPLE 2

With regard to the management of its human resources, New York State must present itself and operate as a single employer, while at the same time ensuring agencies sufficient autonomy to pursue their separate missions effectively.

PRINCIPLE 3

Collaboration and cooperation among the various parties involved in shaping the State's human resource policies — including the unions as well as business and education — is crucial.

PRINCIPLE

4 The State must formalize and communicate to employees and the public an organizational culture that is rooted in a commitment to people. That culture must view State personnel as valued employees regardless of their line of work, treat them with dignity and respect, and appropriately reward them for their service.

PRINCIPLE

5 State government must seek a workforce that is reflective of the population and must adjust to the increasing cultural diversity among employees that this implies.

PRINCIPLE

6 Human resource planning must be fully integrated with overall strategic planning, including the budgeting process.

PRINCIPLE

7 Greater flexibility throughout the State's human resource management system is needed to enhance employment security, productivity, and the quality of services delivered.

PRINCIPLE

8 The State must focus greater attention on developing the skills, knowledge and capabilities of its workforce.

PRINCIPLE

9 The State's compensation and benefits policies must assure that the State can meet its recruitment, retention and reward–for–performance objectives. To this end, they must effectively balance workers' needs with the State's ability to pay.

PRINCIPLE

10 Accountability to the public, measured in both quality and productivity, must be a paramount concern of the State's human resource management system.

These principles recognize that New York, as the eleventh largest employer in the country and the fourth largest public employer, has an obligation to be a model to others. They recognize the tremendous value that people represent to an organization and that that value must not be allowed to erode. They recognize also that that value can be multiplied through expert, creative management. Principle 10 provides a bottom line for the others by emphasizing State government's ultimate responsibility to serve the public in the best way possible.

The concept of New York State operating as a single employer (Principle 2) is viewed as particularly critical. The Task Force advocates that the State manage its personnel from a broader perspective than it does now. In particular, a single employer focus is need in three areas: 1) recruitment strategy oriented to attract competent workers; 2) workforce planning designed to assure the most effective deployment of personnel; and 3) career opportunity and individual growth as a strategy for developing personnel capability for the government as a whole.

Supporting Recommendations

The report presents over 50 recommendations designed to serve the broader principles listed above. In combination, they constitute a long-range, wide-ranging, and interlocking collection of proposals. The following highlights recommendations identified as priorities by the Task Force. (*Readers are urged to consult the report for a complete set of the recommendations as well as an explanation and rationale for each proposal.*)

Recruitment

For any organization, the first step toward building a capable workforce is effective recruitment. A substantial portion of the State government workforce in the year 2000 are already employed by the State today. However, the State must concern itself with how it will bring *new* workers into State service to replace those who will be lost to attrition and to infuse the workforce with fresh talent.

As the challenges to government intensify, it will be increasingly critical for New York to be able to bring in (while also developing) top-notch executive and management talent. Professionals in financial, medical, scientific, and technical fields and those with outstanding communication

skills are also expected to be at a premium as government struggles to keep up with the pace set by the private sector in capitalizing on new technology. At the other end of the spectrum, the State will be forced to reach out into the underskilled and unskilled populations for the many nonprofessional jobs that it needs to fill. Specific recommendations include:

- The State should plan, launch, and maintain a comprehensive campaign to improve the pubic image of government in order to increase the perceived value of public service careers.
- A stronger link between State government and New York's secondary and post-secondary education systems should be established on planning, policy and program levels. Work-study, internships, traineeships, and other cooperative programs which provide students with work experience and career opportunities in government should be significantly expanded.
- The State should undertake a strategic examination of the entrance points into State government to identify whether sufficient opportunity exists for those with significant prior work experience to enter government.
- The State's compensation and benefit policies and programs should be thoroughly reviewed to determine the extent to which they support or undermine efforts to attract qualified individuals to work for the State.
- The State must continue and broaden its programs and policies that assist employees to balance work and family responsibilities, emphasizing, in particular, dependent care assistance.

Organizational Effectiveness

A major strategy for raising productivity levels is for the State, the individual agencies, and their managers to pay greater attention to organizational effectiveness. The difficulty that large organizations face in attempting to assess and monitor organizational effectiveness must be acknowledged. However, the Task Force views this as an essential component of effective human resource management for the future. In its view, individual performance programs and evaluation should be closely tied in to a broader process of determin-

ing goals for work units and entire agencies and evaluating progress toward meeting those goals. Specific recommendations include:

- State agencies should develop clear mission, goal and objective statements to guide the organization and employee performance.
- Agencies should formally assess their organizational and individual effectiveness on a regular basis. These assessments should measure progress toward predefined goals and objectives, with emphasis upon productivity, quality of services, innovation, and the economical use of resources.
- The State should promote greater involvement of its managers and employees in the identification of ways to improve organizational effectiveness.

Deployment

Deployment of human resources — meaning which people are performing what jobs — is a complex function of hiring, job assignment, movement and separation policies and practices. All of these areas represent variables by which the productivity of the workforce can be affected. If the State wishes to make the best use of the talent it has available, it must be more creative and flexible in the way it deploys people. There must be avenues that enable the State to hire the best workers when and where they are needed; people must be used in a way that keeps them challenged and motivated; and those who have valuable knowledge and skills must be enticed to stay with the State as long as possible. Specific recommendations include:

- The State should aggressively pursue the use of more generic job titles and job descriptions as a means for achieving greater flexibility in assigning staff to tasks, while providing greater job/career mobility for employees. As a corollary to this, the State should pursue a general consolidation of the management title structure.
- Agency and management structure should be reorganized where necessary to eliminate excess layers of management.

Management Style

The contribution that individuals and work units can make to achieving organizational goals is dependent, in part, on how they are managed. In

preparing for the 21st Century, the State should become more conscious of its "management style" as an employer and of the management style of those whom it charges to direct and oversee others. The management philosophy recommended is a positive one, rooted in respect for the individual worker. The emphasis is on motivating desirable employee behavior rather than punishing undesirable behavior. Specific recommendations include:

- The State as a single employer should articulate a coherent management philosophy and seek to develop and evaluate its managers and supervisors in accordance with that philosophy.
- New processes for decision making within the agencies should be adopted which reflect greater employee involvement. Decisions should be made at the lowest appropriate level possible.
- State agencies should provide greater allowance for innovation and experimentation on the part of employees, including managers, supervisors and individual contributors.
- State agencies and the State budget process should provide program managers, first line supervisors and staff with greater responsibility for the control and monitoring of resources. Disincentives for fiscal prudence on the part of work units should be eliminated.
- The role of managers and first line supervisors should emphasize guiding the development of staff.

Education, Training and Retraining

When State government embraces a philosophy and set of values that people — employees — are its most important resource, a critical function becomes the perpetual development of that resource. Education, training and retraining of employees assume a central role in meeting the challenges of changing demographics, technological advances, and economic conditions. This point is dramatized by the fact that perhaps 80-90 percent of the people who will be employed by the State at the beginning of the next century are already employees. Additional training will often be essential to maintaining their value as productive employees. Major training efforts will also be necessary to address anticipated severe skill deficits of many members of the future labor force. Ensuring employees access to state-of-the-art development op-

portunities not only has a direct impact on productivity, but also has significant recruitment and retention value as well.

During the 1980s, New York State government came a significant distance in renewing and revitalizing training opportunities for State workers in both the managerial and union-represented ranks. However, it continues to lag behind major private corporations in both its dollar investment and the overall level of coordination and sophistication of its present system for developing employees. That system is best regarded as a solid base on which to build a fully integrated and maximally responsive training and development capacity. Specific recommendations include:

- Training and development efforts should be directly linked to the goals and objectives of State government and the agencies as specified through a coordinated strategic planning process.
- Effort should be directed toward linking training and retraining efforts even more closely with forecasted demands and to critical skills required in State jobs as those jobs will evolve over time.
- The State should identify the fiscal resources it currently allocates to human resource development and seek to ensure that the allocation is and continues to be adequate to meet the State's training and development goals.

Compensation, Benefits and Rewards

In an era of tight labor supply, a major challenge facing the State is to remain competitive with respect to compensation, benefits and reward packages. As employers become more aggressive in seeking to attract skilled labor, they will drive up compensation/benefit standards in several fields. The State will be placed at an increasing disadvantage in its attempts to recruit and retain professional talent and skilled labor unless it develops a compensation system that is highly sensitive to the labor market. This will be difficult in a fiscal environment where cost containment is crucial.

Another important goal of compensation, benefits and reward systems is to motivate performance. People's motivation to produce in the workplace derives from many sources, both internal and external to the individual. But the State must do its share to motivate its employees and to ensure that good work is recognized and rewarded. An effective system of rewards is essential for fostering commitment and integrity within the State workforce.

Clearly the State will need to work closely with the unions in seeking improvements in its compensation, benefits, and reward system. Specific recommendations include:

- The State should take steps to ensure that its basic pay structure remains competitive and flexible, and adaptable to fluctuating labor supply in occupational and geographic sectors.
- The State should consider models for linking promotions not only to performance on examinations but to work record as documented through a formal process.
- The benefit programs the State provides for its employees must be examined comprehensively and revised as necessary to ensure their continuing appropriateness and effectiveness. As a corollary to this, means must be established to monitor experience in these programs more effectively.

PART FOUR

Organizing for Action

The Challenge

Effecting broad-scale change in a large bureaucracy is a formidable problem. There are, however, several reasons for optimism that constructive action will result from this effort. First, as noted in the Introduction, New York State has a tradition of progressiveness and innovation. Second, the State has now in its employ exceptional professional talent and knowledge in the human resources field. Chances for success are further enhanced by the fact that basic frameworks for effective labor-management cooperation are already in place in New York State, and linkages have also already been forged with the private sector and academic communities. Lately, in the new workforce planning initiative, we have seen evidence of a commitment to institutionalizing a methodical approach to change as it will influence the State workforce. Finally, not all the necessary modifications need occur — nor could they occur — at once. The more the State develops a capacity to anticipate a more distant future, the better its ability to structure appropriate, stepwise change.

In moving forward, State managers will need to grapple with such difficult questions as:

- What is the organizational culture currently reflected in the State's human resource management system and what *should* that culture be?
- What is the extent of the State's obligation to its employees?
- How should responsibilities for human resource management at the central level be organized?
- How can the unions, the business community, and the State's public and independent educational institutions be appropriately involved in action planning?
- How can the State budget making process better support strategic human resource management?

- How can human resource planning be effectively translated into agency practice?

Although the Task Force has not, in its deliberations, attempted to resolve issues of this nature, it acknowledges that such issues must command attention as follow-up efforts are undertaken.

Implementation Steps

This report recommends modernization of the State's human resource management system to fit a changing world. The thrust is toward more *strategic* management, featuring better planning, greater flexibility, and careful nurturance of individual employees. A more effective linkage between human resource planning and the budget process is also a critical element. All of these should be approached from a single employer perspective. In contemplating next steps, the Task Force was concerned with how to assure that focus as well as how to further the more general purposes of the report — educating, inviting collaboration, and inspiring change. The following immediate actions are suggested:

- Establish an Executive Panel on the Future Management of the New York State Public Workforce;
- Create an executive Labor–Management Council on Workforce Trends;
- Create a Council on Education for the State Workforce;
- Establish interagency "expert" work groups on specific issues;
- Develop strategic plan(s) for State human resources; and
- Collaborate with the Legislature.

In addition to the above, the Task Force suggests other actions that would enrich and strengthen the State's overall effort to address problems described in the full report.

- Observe notable examples of innovations in human resource management through a series of site visits to private sector employers;
- Convene a series of management forums to foster further education and discussion;
- Experiment with new models;

- Conduct an examination of the future structure and function of government; and
- Review progress annually.

Conclusion

This report contends that managing the State's human resources more strategically and innovatively must become a priority of the State's leadership and its operating agencies. The argument for modernizing has been built on a presumption that dramatic change will be essential to fulfill the public trust.

To a large extent, this project has enabled major players in the State's human resource community to take a step back from their day–to–day activity to begin to design a rational approach for the future. Its message is that ideas must be drawn from the widest possible range of sources, including elected officials and representatives of the private sector, unions, and academia. In the final analysis, however, the leadership, commitment and drive to change must come from those who make up the present State workforce. It is this dynamic group of people who can most effectively shape the policies that will govern their future work lives.

SUMMARY

of the Recommendations Produced by the

Task Force on the New York State Public Workforce in the 21st Century

Guiding Principles for the Future

1. New York State, as one of the major employers in the State and the nation, should strive to be an exemplar of a modern workplace.
2. With regard to the management of its human resources, New York State must present itself and operate as a single employer, while at the same time ensuring agencies sufficient autonomy to pursue their separate missions effectively.
3. Collaboration and cooperation among the various parties involved in shaping the State's human resource policies—including the unions as well as business and education—is crucial.
4. The State must formalize and communicate to employees and the public an organizational culture that is rooted in a commitment to people. That culture must view State personnel as valued employees regardless of their line of work, treat them with dignity and respect, and appropriately reward them for their service.
5. State government must seek a workforce that is reflective of the population and must adjust to the increasing cultural diversity among employees that this implies.
6. Human resource planning must be fully integrated with overall strategic planning, including the budgeting process.
7. Greater flexibility throughout the State's human resource management system is needed to enhance employment security, productivity, and the quality of services delivered.
8. The State must focus greater attention on developing the skills, knowledge and capabilities of its workforce.
9. The State's compensation and benefits policies must assure that the State can meet its recruitment, retention and reward-for-performance objectives. To this end, they must effectively balance workers' needs with the State's ability to pay.
10. Accountability to the public, measured in both quality and productivity, must be a paramount concern of the State's human resource management system.

Supporting Recommendations

Recruitment

1. The State should plan, launch, and maintain a comprehensive campaign to improve the public image of government in order to increase the perceived value of public service careers.
2. A stronger link between State government and New York's secondary and post-secondary education systems should be established on planning, policy and program levels. Work-study, internships, trainee-ships, and other cooperative programs which provide students with work experience and career opportunities in government should be significantly expanded.
3. The State should undertake a strategic examination of the entrance points into State government to identify whether sufficient opportunity exists for those with significant prior work experience to enter government.
4. The State's compensation and benefit policies and programs should be thoroughly reviewed to determine the extent to which they support or undermine efforts to attract qualified individuals to work for the State.
5. The State must continue and broaden its programs and policies that assist employees to balance work and family responsibilities, emphasizing, in particular, dependent care assistance.
6. State agencies should collaborate in seeking to address recruitment problems related to a scarcity of skilled labor in particular occupational category or geographic area.
7. Strategic use should be made of the hiring processes and probationary period for new employees to facilitate their entry and adjustment into State service, including providing appropriate orientation and training regarding key organizational values and expectations.
8. In order to increase its ability to fill job vacancies with the most qualified people, the State should develop various means for assisting both new hires and present employees to relocate when necessary.
9. A more concerted effort to accommodate the workplace to the needs of special, currently underutilized subgroups of the labor pool such as the disabled and senior citizens will be necessary as work shortages develop.

Organizational Effectiveness

10. State agencies should develop clear mission, goal and objective statements to guide the organization and employee performance.
11. Agencies should formally assess organizational and individual effectiveness on a regular basis. These assessments should measure progress toward predefined goals and objectives, with emphasis upon productivity, quality of services, innovation, and the economical use of resources.
12. The State should promote greater involvement of its managers and employees in the identification of ways to improve organizational effectiveness.
13. Evaluation of individual employee performance should relate directly to, and be a part of, the organizational assessment process. Existing procedures for performance evaluation systems for employees in bargaining units should be reviewed and revamped.
14. Agencies should be granted greater autonomy in establishing criteria and processes for organizational and individual performance assessment that fit their operational environment.
15. Improved organizational productivity and the quality of services should be made a focused goal of State government.

Deployment

16. The State should aggressively pursue the use of more generic job titles and job descriptions as a means for achieving greater flexibility in assigning staff to tasks, while providing greater job/career mobility for employees. As a corollary to this, the State should pursue a general consolidation of the management title structure.
17. Agency and management structure should be reorganized where necessary to eliminate excess layers of management.
18. The State should introduce a dual tracking concept into the classification and compensation system whereby separate career ladders would exist for professional/technical and managerial personnel.
19. The State must encourage and expand opportunities for interagency and intra-agency lateral transfers and promotions.
20. State personnel policies and practices must ensure that nontraditional members of the labor force, including women, ethnic/racial minorities, and those with disabilities, have opportunities to progress in State service.
21. The State should examine the appropriate application of an employment security concept in the public sector and should explore whether an alternative to the position rights system presently used in State service might better serve management and employee interests.
22. State agencies must develop effective means for identifying and applying the expertise that exists within their work forces as well as among employees in other agencies.
23. The State must begin to use nontraditional work-weeks more broadly to meet its staffing requirements while also accommodating the needs of a changing labor pool.

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24. The State should design and implement innovative, cost-effective alternatives by which State agencies may meet temporary needs for additional or specially skilled labor in an expedient manner.

25. The State should develop a more strategic approach to managing employee turnover. This includes the creation of models for succession planning to minimize disruption and loss of critical knowledge when a key employee separates from service.

26. The State should identify functional/occupational areas where the "telecommuting" concept has potential application in State service and consider what, if any, modification in State personnel policies would be necessary to make telecommuting feasible.

Management Style

27. The State as a single employer should articulate a coherent management philosophy and seek to develop and evaluate its managers and supervisors in accordance with that philosophy.

28. New processes for decision making within the agencies should be adopted which reflect greater employee involvement. Decisions should be made at the lowest appropriate level possible.

29. State agencies should provide greater allowance for innovation and experimentation on the part of employees, including managers, supervisors and individual contributors.

30. State agencies and the State budget process should provide program managers, first line supervisors and staff with greater responsibility for the control and monitoring of resources. Disincentives for fiscal prudence on the part of work units should be eliminated.

31. The role of managers and first line supervisors should emphasize guiding the development of staff.

32. State agencies should promote methods of management that allow for individuals with valuable skills and abilities to be used more flexibly within and across the agencies.

33. Managers and first line supervisors should create work environments that enable managers and employees with diverse backgrounds and special characteristics to work together effectively.

34. Agencies and work units should pursue new systems for managing and sharing information within and across organization boundaries.

Education, Training and Retraining

35. Training and development efforts should be directly linked to the goals and objectives of State government and the agencies as specified through a coordinated strategic planning process.

36. Effort should be directed toward linking training and retraining efforts even more closely with forecasted demands and to critical skills required in State jobs as those jobs will evolve over time.

37. The State should identify the fiscal resources it currently allocates to human resource development and seek to ensure that the allocation is and continues to be adequate to meet the State's training and development goals.

38. The State agencies, with the involvement of the unions, should work together to ensure more systematic integration of human resource development efforts.

39. The State should actively engage a diversity of people and institutions in the planning and implementation of employee training and development, including members of the academic community; human resource development specialists at the facility, agency and statewide levels; and subject area experts employed in State service and in the private and voluntary sectors.

40. The State's human resource development initiatives should make creative use of state-of-the-art technologies for conveying information and fostering learning among a diffuse audience.

41. A key focus of State training and development efforts should be on helping State workers cope with change in the workplace.

42. Building on existing programs, the State must significantly expand its capacity to provide (or make available), remedial education, basic literacy training, and English as a Second Language courses.

43. The State's training and development efforts must regard management as a discipline that needs to be learned. The fostering of such learning should be a priority of the State's human resource management systems.

44. The State should devote greater attention to developing leadership capacity within State government.

45. The State should examine possibilities for appropriately linking training and development to opportunity for professional advancement in State service.

Compensation, Benefits and Rewards

46. The State should take steps to ensure that its basic pay structure remains competitive and flexible, and adaptable to fluctuating labor supply in occupational and geographic sectors.

47. The State should consider models for linking promotions not only to performance on examinations but to work record as documented through a formal process.

48. The benefit programs the State provides for its employees must be examined comprehensively and revised as necessary to ensure their continuing appropriateness and effectiveness. As a corollary to this, means must be established to monitor experience in these programs more effectively.

49. Greater flexibility must be built into the State's benefit packages, where possible, to enable individual employees to tailor benefits to meet their needs and to reduce unnecessary coverage.

50. The State must initiate a comprehensive analysis of leave policies with the goal of striking an effective balance between the changing needs and demands of employees and the State's productivity goals.

51. Consideration should be given to modifying the State's pension and other benefit policies in order to enhance the State's ability to attract qualified personnel in mid- or late-career as well as retain older workers on a reduced work schedule basis.

52. Employee recognition and reward programs designed to acknowledge individual and team efforts that enhance organizational effectiveness (e.g., increase productivity, reduce waste, raise the level of quality of service delivered, etc.) should be further propagated and expanded throughout the State service.

53. The State must reexamine its current approach to providing extra monetary compensation based on merit and must design and establish a more selective, meaningful and equitable process for financially rewarding high performing employees and members of work teams.

54. The State's basic pay structure should be adapted to take into account more adequately cost-of-living differences in various parts of the State.

55. The State should test innovative alternatives to its present compensation policies in order to meet management's human resource needs more effectively.

Implementation Steps

Establish an Executive Panel on the Future Management of the New York State Public Workforce

Create an executive Labor-Management Council on Work Force Trends

Create a Council on Education for the State Workforce

Establish interagency "expert" work groups on specific issues

Develop strategic plan(s) for State human resources

Collaborate with the Legislature

Observe notable examples of private sector innovations in human resource management

Convene a series of management forums

Experiment with new models

Conduct an examination of the future structure and function of government

Review progress annually

APPENDIX A

Task Force on the New York State Public Workforce in the 21st Century

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